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DEPARTMENT OF COMMERCE

International Trade Administration

[A-351-845]

Certain Hot-Rolled Steel Flat Products from Brazil: Final Results of Antidumping Duty Administrative Review; 2016-2017

AGENCY: Enforcement and Compliance, International Trade Administration, Department of Commerce.

SUMMARY: The Department of Commerce (Commerce) determines that certain hot-rolled carbon steel flat products from Brazil are being, or are likely to be, sold at less than normal value during the period of review (POR), March 22, 2016, through September 30, 2017.

DATES: Applicable [INSERT DATE OF PUBLICATION IN THE *FEDERAL REGISTER*]. **FOR FURTHER INFORMATION CONTACT:** Jessica Pomper or Peter Zukowski,

AD/CVD Operations, Office I, Enforcement and Compliance, International Trade

Administration, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington,

DC 20230; telephone: (202) 482-9122 or (202) 482-0189, respectively.

SUPPLEMENTARY INFORMATION:

Background

The review covers six producers and/or exporters of the subject merchandise. Commerce selected one mandatory respondent, Companhia Siderurgica Nacional (CSN), for individual examination. The producers/exporters that were not selected for individual examination are listed in the "Final Results of the Review" section of this notice.

On July 13, 2018, Commerce published the *Preliminary Results*.¹ Although we invited parties to comment on the preliminary results of the review, no interested party submitted comments. Accordingly, we are adopting unchanged the *Preliminary Results* for these final results and no decision memorandum accompanies this *Federal Register* notice. Commerce conducted this administrative review in accordance with section 751 of the Tariff Act of 1930, as amended (the Act).

Scope of the Order

The products covered by this order are certain hot-rolled steel flat products from Brazil.

For a complete description of the scope of this order, please refer to the Appendix to this notice.

Methodology

In the *Preliminary Results*, Commerce relied upon facts otherwise available with adverse inferences (AFA) to determine an antidumping margin for CSN because this mandatory respondent did not respond to Commerce's antidumping duty questionnaire. Because no parties commented on the *Preliminary Results*, we are adopting in these final results of review the decisions outlined in the *Preliminary Results*. In accordance with the U.S. Court of Appeals for the Federal Circuit's decision in *Albemarle Corp. v. United States*, we are applying to the non-selected respondents the adjusted dumping margin we are applying to CSN in this administrative review. This is the only margin determined in this review for an individual respondent, and thus, it is applicable to the non-selected respondents under section 735(c)(5)(B) of the Act.

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¹ See Certain Hot-Rolled Steel Flat Products from Brazil: Preliminary Results of the Antidumping Duty Administrative Review; 2016-2017, 83 FR 32632 (July 13, 2018) (Preliminary Results) and accompanying Preliminary Decision Memorandum.

² See Albemarle Corp. v. United States, 821 F.3d 1345 (Fed. Cir. 2016).

³ See, e.g., Diamond Sawblades and Parts Thereof from the People's Republic of China: Final Results of Antidumping Duty Administrative Review; 2015-2016, 83 FR 17527 (April 20, 2018).

Adverse Facts Available

Pursuant to section 776(a) and (b) of the Act, Commerce relied upon AFA to determine an antidumping margin for CSN because this respondent did not respond to Commerce's antidumping duty questionnaire. For a complete explanation of the analysis underlying the application of AFA, *see Preliminary Results*.

Final Results of the Review

As a result of this review, we are assigning a dumping margin to the respondents for the period March 22, 2016, through September 30, 2017, as follows:

Exporter/Produce r	Dumping Margin	Cash Deposit Rate (Adjusted for Export Subsidies)
*	1 0 0	,
Aperam South America	34.28	30.21
ArcelorMittal Brasil	34.28	30.21
Companhia Siderurgica Nacional	34.28	30.21
Companhia Siderurgica Suape	34.28	30.21
Marcegaglia do Brasil	34.28	30.21
Usinas Siderurgicas de Minas Gerais SA	34.28	30.21

Assessment Rates

Commerce shall determine, and U.S. Customs and Border Protection (CBP) shall assess, antidumping duties on all appropriate entries. Pursuant to section 776(a) and (b) of the Act, Commerce has relied upon facts otherwise available with adverse inferences (AFA) for CSN, and determined a rate adjusted for export subsidies of 30.21. For the companies that were not selected for individual examination, we used as the assessment rate the cash deposit rate assigned to CSN. Commerce intends to issue assessment instructions to CBP 15 days after the date of publication of these final results of review.

Cash Deposit Requirements

The following cash deposit requirements will be effective for all shipments of the subject merchandise entered, or withdrawn from warehouse, for consumption on or after the publication date of the final results of this administrative review, as provided by section 751(a)(2)(C) of the Act: (1) The cash deposit rate for the reviewed companies will be the rates shown above; (2) for previously investigated companies not listed above, the cash deposit rate will continue to be the company-specific rate published for the most recently completed segment of this proceeding; (3) if the exporter is not a firm covered in this review, or in the original less-than-fair-value (LTFV) investigation, but the manufacturer is, the cash deposit rate will be the rate established for the most recent segment for the manufacturer of the merchandise; and (4) the cash deposit rate for all other manufacturers or exporters will continue to be 29.07 percent, the all-others rate established in the LTFV investigation.⁴ These deposit requirements, when imposed, shall remain in effect until further notice.

Notification to Importers

This notice serves as the only reminder to importers of their responsibility, under 19 CFR 351.402(f)(2), to file a certificate regarding the reimbursement of antidumping and/or countervailing duties prior to liquidation of the relevant entries during this review period. Failure to comply with this requirement could result in the Secretary's presumption that reimbursement of antidumping and/or countervailing duties occurred and the subsequent assessment of double antidumping duties.

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⁴ See Antidumping Duty Order.

Notification Regarding Administrative Protective Order

This notice serves as the only reminder to parties subject to administrative protective

order (APO) of their responsibility concerning the disposition of proprietary information

disclosed under APO in accordance with 19 CFR 351.305(a)(3). Timely written notification of

return/destruction of APO materials or conversion to judicial protective order is hereby

requested. Failure to comply with the regulations and the terms of an APO is a sanctionable

violation.

We are issuing and publishing this notice of final results of administrative review in

accordance with sections 751(a)(1) and 777(i) of the Act and sections 19 CFR 351.213(h) and

351.221(b)(5).

Dated: September 19, 2018.

James Maeder,

Associate Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations,

performing the duties of Deputy Assistant Secretary

for Antidumping and Countervailing Duty Operations.

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Appendix

Scope of the Order

The products covered by this order are certain hot-rolled, flat-rolled steel products, with or without patterns in relief, and whether or not annealed, painted, varnished, or coated with plastics or other non-metallic substances. The products covered do not include those that are clad, plated, or coated with metal. The products covered include coils that have a width or other lateral measurement ("width") of 12.7 mm or greater, regardless of thickness, and regardless of form of coil (e.g., in successively superimposed layers, spirally oscillating, etc.). The products covered also include products not in coils (e.g., in straight lengths) of a thickness of less than 4.75 mm and a width that is 12.7 mm or greater and that measures at least 10 times the thickness. The products described above may be rectangular, square, circular, or other shape and include products of either rectangular or non-rectangular cross-section where such cross-section is achieved subsequent to the rolling process, i.e., products which have been "worked after rolling" (e.g., products which have been beveled or rounded at the edges). For purposes of the width and thickness requirements referenced above:

- (1) where the nominal and actual measurements vary, a product is within the scope if application of either the nominal or actual measurement would place it within the scope based on the definitions set forth above unless the resulting measurement makes the product covered by the existing antidumping⁵ or countervailing duty⁶ orders on Certain Cut-To-Length Carbon-Quality Steel Plate Products from the Republic of Korea (A-580-836; C-580-837), and
- (2) where the width and thickness vary for a specific product (<u>e.g.</u>, the thickness of certain products with non-rectangular cross-section, the width of certain products with non-rectangular shape, etc.), the measurement at its greatest width or thickness applies.

Steel products included in the scope of this order are products in which: (1) iron predominates, by weight, over each of the other contained elements; (2) the carbon content is 2 percent or less, by weight; and (3) none of the elements listed below exceeds the quantity, by weight, respectively indicated:

- 2.50 percent of manganese, or
- 3.30 percent of silicon, or
- 1.50 percent of copper, or
- 1.50 percent of aluminum, or
- 1.25 percent of chromium, or
- 0.30 percent of cobalt, or

⁵ Notice of Amendment of Final Determinations of Sales at Less Than Fair Value and Antidumping Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate Products from France, India, Indonesia, Italy, Japan and the Republic of Korea, 65 FR 6585 (February 10, 2000).

⁶ Notice of Amended Final Determinations: Certain Cut-to-Length Carbon-Quality Steel Plate from India and the Republic of Korea; and Notice of Countervailing Duty Orders: Certain Cut-To-Length Carbon-Quality Steel Plate from France, India, Indonesia, Italy, and the Republic of Korea, 65 FR 6587 (February 10, 2000).

- 0.40 percent of lead, or
- 2.00 percent of nickel, or
- 0.30 percent of tungsten, or
- 0.80 percent of molybdenum, or
- 0.10 percent of niobium, or
- 0.30 percent of vanadium, or
- 0.30 percent of zirconium.

Unless specifically excluded, products are included in this scope regardless of levels of boron and titanium.

For example, specifically included in this scope are vacuum degassed, fully stabilized (commonly referred to as interstitial-free (IF)) steels, high strength low alloy (HSLA) steels, the substrate for motor lamination steels, Advanced High Strength Steels (AHSS), and Ultra High Strength Steels (UHSS). IF steels are recognized as low carbon steels with micro-alloying levels of elements such as titanium and/or niobium added to stabilize carbon and nitrogen elements. HSLA steels are recognized as steels with micro-alloying levels of elements such as chromium, copper, niobium, titanium, vanadium, and molybdenum. The substrate for motor lamination steels contains micro-alloying levels of elements such as silicon and aluminum. AHSS and UHSS are considered high tensile strength and high elongation steels, although AHSS and UHSS are covered whether or not they are high tensile strength or high elongation steels.

Subject merchandise includes hot-rolled steel that has been further processed in a third country, including but not limited to pickling, oiling, levelling, annealing, tempering, temper rolling, skin passing, painting, varnishing, trimming, cutting, punching, and/or slitting, or any other processing that would not otherwise remove the merchandise from the scope of the order if performed in the country of manufacture of the hot-rolled steel.

All products that meet the written physical description, and in which the chemistry quantities do not exceed any one of the noted element levels listed above, are within the scope of this order unless specifically excluded. The following products are outside of and/or specifically excluded from the scope of this order:

- Universal mill plates (<u>i.e.</u>, hot-rolled, flat-rolled products not in coils that have been rolled on four faces or in a closed box pass, of a width exceeding 150 mm but not exceeding 1250 mm, of a thickness not less than 4.0 mm, and without patterns in relief);
- Products that have been cold-rolled (cold-reduced) after hot-rolling;⁷
- Ball bearing steels;⁸

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⁷ For purposes of this scope exclusion, rolling operations such as a skin pass, levelling, temper rolling or other minor rolling operations after the hot-rolling process for purposes of surface finish, flatness, shape control, or gauge control do not constitute cold-rolling sufficient to meet this exclusion.

⁸ Ball bearing steels are defined as steels which contain, in addition to iron, each of the following elements by weight in the amount specified: (i) not less than 0.95 nor more than 1.13 percent of carbon; (ii) not less than 0.22 nor more than 0.48 percent of manganese; (iii) none, or not more than 0.03 percent of sulfur; (iv) none, or not more than 0.03 percent of phosphorus; (v) not less than 0.18 nor more than 0.37 percent of silicon; (vi) not less than 1.25 nor

- Tool steels; 9 and
- Silico-manganese steels. 10

The products subject to this order are currently classified in the Harmonized Tariff Schedule of the United States (HTSUS) under item numbers: 7208.10.1500, 7208.10.3000, 7208.10.6000, 7208.25.3000, 7208.25.6000, 7208.26.0030, 7208.26.0060, 7208.27.0030, 7208.27.0060, 7208.36.0030, 7208.36.0060, 7208.37.0030, 7208.37.0060, 7208.38.0015, 7208.38.0030, 7208.38.0090, 7208.39.0015, 7208.39.0030, 7208.39.0090, 7208.40.6030, 7208.40.6060, 7208.53.0000, 7208.54.0000, 7208.90.0000, 7210.70.3000, 7211.14.0030, 7211.14.0090, 7211.19.1500, 7211.19.2000, 7211.19.3000, 7211.19.4500, 7211.19.6000, 7211.19.7530, 7211.19.7560, 7211.19.7590, 7225.11.0000, 7225.19.0000, 7225.30.3050, 7225.30.7000, 7225.40.7000, 7225.99.0090, 7226.11.1000, 7226.11.9030, 7226.11.9060, 7226.19.1000, 7226.19.9000, 7226.91.5000, 7226.91.7000, and 7226.91.8000. The products subject to the order may also enter under the following HTSUS numbers: 7210.90.9000, 7211.90.0000, 7212.40.1000, 7212.40.5000, 7212.50.0000, 7214.91.0015, 7214.91.0060, 7214.91.0090, 7214.99.0060, 7214.99.0075, 7214.99.0090, 7215.90.5000, 7226.99.0180, and 7228.60.6000.

The HTSUS subheadings above are provided for convenience and U.S. Customs purposes only. The written description of the scope of the order is dispositive.

more than 1.65 percent of chromium; (vii) none, or not more than 0.28 percent of nickel; (viii) none, or not more than 0.38 percent of copper; and (ix) none, or not more than 0.09 percent of molybdenum.

⁹ Tool steels are defined as steels which contain the following combinations of elements in the quantity by weight respectively indicated: (i) more than 1.2 percent carbon and more than 10.5 percent chromium; or (ii) not less than 0.3 percent carbon and 1.25 percent or more but less than 10.5 percent chromium; or (iii) not less than 0.85 percent carbon and 1 percent to 1.8 percent, inclusive, manganese; or (iv) 0.9 percent to 1.2 percent, inclusive, chromium and 0.9 percent to 1.4 percent, inclusive, molybdenum; or (v) not less than 0.5 percent carbon and not less than 3.5 percent molybdenum; or (vi) not less than 0.5 percent tungsten.

¹⁰ Silico-manganese steel is defined as steels containing by weight: (i) not more than 0.7 percent of carbon; (ii) 0.5 percent or more but not more than 1.9 percent of manganese, and (iii) 0.6 percent or more but not more than 2.3 percent of silicon.

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